

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, SEPTEMBER 4, 2001**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 4, 2001 commencing at 7:05 a.m.

A. ROLL CALL

Present: Council Members – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

Absent: Council Members – None

Also Present: City Manager Flynn, City Attorney Hays, and Deputy City Clerk Taylor

B. CITY COUNCIL CALENDAR UPDATE

Deputy City Clerk Taylor reviewed the weekly calendar (filed).

Announcements

City Manager Flynn reminded Council that a group dinner is planned for Wednesday, September 12 in conjunction with the League conference and noted details were available from the City Clerk's office.

C. TOPIC(S)

C-1 "Discussion regarding League of California Cities resolutions"

Deputy City Manager Keeter reminded Council that the main purpose of the September 13-15 League of California Cities (LCC) annual conference is policy development. Ms. Keeter stated she would review the nine resolutions currently under review by LCC subcommittees as outlined in the materials provided, along with staff member summaries and endorsements for each item (filed). Ms. Keeter noted that while no Council action was required, staff and representative delegates are seeking general direction regarding the resolutions.

Resolution #1 Revising Bylaws for the League of California Cities – The City Attorney's Office performed a cursory review of the revised Bylaws and is in support of the League's recommendations. Of particular note, however, is the provision for dues and finances. New language accommodates the possibility of increases in dues of over ten percent (with a \$5,000 cap), which would require a majority vote for member ratification. The City of Lodi currently pays \$8,504 to LCC for membership dues.

Mayor Nakanishi recalled League fees were recently increased by Council to join the grassroots network and voiced concern that the City might be better served in saving that money and having Council meet and confer with legislators instead of paying a representative to lobby on behalf of several cities. He shared that with a population of 58,000, Lodi is a small city and the League provides a lot of rules and regulations which have little or no relationship to us; therefore, actively participating in the League may not generate meaningful benefits.

Council Member Hitchcock stated the grassroots network would serve Lodi very well, dedicating one person to communicate with Sacramento regarding our issues and concerns while keeping cities apprised of legislative activities in a timely manner. Further, this individual would recommend our direction and involvement and also initiate and coordinate contact between local officials and legislators, acting as a small-town liaison to Sacramento. Ms. Hitchcock encouraged Mayor Nakanishi to get involved in the League through committee service to fully appreciate the LCC's commitment toward issues that benefit cities.

Council Member Pennino stated that while Lodi is in close proximity to the State Capitol, many cities are not, and the League is involved in important issues that need to be communicated to Sacramento. He stated the LCC generally represents small and mid-size cities, as the larger cities have their own specialized representation.

City Manager Flynn stated this network would have been very effective when police and fire associations spent millions of dollars to lobby for legislation regarding binding arbitration. He stated that while city managers knew this would not necessarily be best for their cities, smaller cities had no cooperative network to be heard in the legislature.

Council Member Howard stated she recently attended a conference and discovered Lodi is considered quite large compared to the many California cities averaging a population of 7,000 to 12,000. She added that perhaps our geographic location, along with Lodi's close and friendly atmosphere, makes us feel smaller when we are actually a large community.

Resolution #2 Relating To Day Care Services for Children, Adults, and Seniors – This Resolution encourages cities to recognize seniors as a valuable state resource, to develop and improve intergenerational programs and activities, and to support legislation for funding "side-by-side" day care facilities for youth, seniors, and adults. Although the City of Lodi, in cooperation with Lodi Memorial Hospital, currently offers such a partnership, City staff believes this is a Resolution of great importance, particularly if it advocates future funding opportunities.

Resolution #3 Relating To Excess Retirement System Assets and More Options for Employer Use of Those Assets – This Resolution supports legislation and any other efforts to allow local agencies the option to utilize excess Public Employees Retirement System (PERS) investment assets, as determined exclusively by the affected local contracting agency and as permitted by law. City staff fully supports this Resolution as it advocates local control for employers with regard to excess retirement assets, contract amendments, and retirement benefits.

Mr. Flynn, at the request of Council Member Howard, explained that excess funds currently remaining with PERS could instead be deposited back into City fund contributors (water, sewer, electric). He shared that while the City has always had this type of access to deferred compensation funds, it has never taken action to reallocate those funds.

Finance Director McAthie stated that staff advocates this proposed Resolution, and noted that the Governor has considered on several occasions looking at PERS regarding surplus assets. The City should protect these assets on behalf of its employees.

Resolution #4 Relating To Flexibility in the Wastewater Permitting Process by California State and Regional Water Quality Control Boards as Allowed by Law – The League's Environmental Quality Policy Committee will make a final recommendation at the League Conference; however, City staff has reviewed and supports this Resolution. This Resolution advocates the League coordinating city efforts and actively engaging the State and Regional Water Quality Control Boards to effectively negotiate the issuance of attainable discharge permits. Further, it encourages State and Regional Water Quality Boards to treat multiple violations, caused by a single event, as one violation. Ms. Keeter stated the committee would recommend the formation of a subcommittee to address this issue, advocating appointment of cities and city attorneys who have experienced problems.

Council Member Hitchcock stated that the City of Fortuna will occasionally have stormwater discharge and be sued repeatedly by a citizens group looking for settlements through frivolous lawsuits. In response, City Attorney Hays stated this type of activity has occurred for some time in our area, and that he and Claude Brown took proactive action in meeting with District Attorney Phillips to draw attention to and attempt to put an end to frivolous stormwater discharge lawsuits. He stated the District Attorney's office has since changed its procedure in handling such cases and is currently investigating the inappropriateness of these lawsuits. At Ms. Hitchcock's request, Mr. Hays consented to his name being submitted to serve on the proposed League subcommittee should the committee's recommendation be approved.

Resolution #5 Relating To Modification of California SB 709 (Mandatory Penalties) and the Federal Clean Water Act Regarding Frivolous Citizen Lawsuits – The League's Environmental Quality Policy Committee has not made a final recommendation to the General Resolutions Committee and will do so during the September 12 meeting. City staff, however, has reviewed and supports the proposed Resolution, which advocates that the League actively pursue changes in California law to:

- return discretion to the Regional Water Quality Control Board in setting penalties associated with discharge permit violations;
- allow penalties to be used as matching funds to complete approved corrective projects within the City;
- consider ability to pay mandatory penalties; and
- take certain actions, thereby modifying the Federal Clean Water Act for purposes of eliminating frivolous citizen lawsuits for personal gain.

Resolution #6 Relating To Incentives to Improve the Balance of Jobs and Housing in California – This Resolution, as amended by the Housing, Community, and Economic Development Policy Committee, proposes to amend Health and Safety Code Chapter 3.7, the Jobs-Housing Balance Improvement Act, to provide productive tools and incentives to support job creation and retention in housing-rich, job-poor communities. City staff advocates the amendment and supports the Resolution.

Resolution #7 Relating to Supporting the Passage of a Ballot Measure to Stabilize and Reform Local Government Financing – The League's Revenue and Taxation Policy Committee's preliminary recommendation is to approve this Resolution to support a ballot measure designed to stabilize local government revenues. Further, it would enhance the ability of California's cities, counties, and special districts to meet the growing service and public facility needs of California. City staff concurs with the recommendation to support a ballot measure proposal to stabilize and reform local government finance.

Resolution #8 Relating To Return of ERAF Funds To Cities – The League's Community Services Policy Committee has tendered a preliminary recommendation to the General Resolutions Committee to not approve this Resolution, based on the existing League policy on this subject matter. Because of its high importance concerning local funding, City staff recommends support of the Resolution reinforcing the City's desire to have ERAF Funds reinstated to cities.

Resolution #9 Relating To Telephone Area Codes – There have been numerous attempts to reconfigure area codes, particularly in the San Joaquin region. The League's Transportation and Public Works Policy Committee is advocating that the League work with the California Public Utilities Commission, various telephone companies, and Federal Regulatory Agencies to improve telephone area code planning in California. City staff support this Resolution and encourages exploring alternatives to splitting area codes.

D. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

E. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at approximately 7:40 a.m.

ATTEST:

Jacqueline L. Taylor
Deputy City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Discussion Regarding the California League of Cities' Resolutions

MEETING DATE: September 4, 2001

SUBMITTED BY: Deputy City Manager

RECOMMENDED ACTION: That Council reviews and adopts the attached Resolutions for submittal to the California League of Cities.

BACKGROUND INFORMATION: The California League of Cities will host their Annual Conference September 12-14, 2001 and, as part of the process, the League encourages member cities to take positions on certain policy matters as identified through Resolutions. As such, City of Lodi staff members have reviewed the proposed League Resolutions and endorse the following Resolutions (below please find corresponding staff summaries):

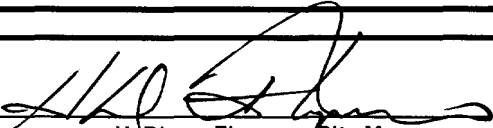
1. Revised Bylaws for the League of California Cities
2. Day Care Services for Children, Adults and Seniors
3. Excess Retirement System Assets and More Options for Employer Use of Those Assets
4. Flexibility in Wastewater Permitting Process by California State and Regional Water Quality Control Boards as Allowed by Law
5. Modification of California SB 709 (Mandatory Penalties) and the Federal Clean Water Quality Control Boards as Allowed by Law
6. Incentives to Improve the Balance of Jobs and Housing in CA
7. Supporting the Passage of a Ballot Measure to Stabilize and Reform Local Government Financing
8. Return of ERAF Funds to the Cities
9. Telephone Area Codes

City of Lodi Staff Summaries

1. **Revising Bylaws for the League of California Cities** – The City Attorney's Office has taken a cursory view of the revised Bylaws and is in support of the League's recommendations. Of particular note, however, is the provision for dues and finances. New language accommodates the possibility of dues increases of over ten percent (with a \$5,000 cap) which would require a majority vote for member ratification. The City of Lodi currently pays \$8,504 to the League for membership dues.

2. **Resolution Relating To Day Care Services for Children, Adults, and Seniors** – This Resolution encourages cities to recognize seniors as a valuable state resource, to develop and improve intergenerational programs and activities, and to support legislation for funding "side-by-side" day care facilities for youth, seniors, and adults. Although the City of Lodi in cooperation with Lodi Memorial Hospital currently offers such type partnerships, City staff believe that this is a Resolution of great importance, particularly if it advocates for future funding opportunities.

APPROVED: _____


H. Dixon Flynn -- City Manager



CITY OF LODI

COUNCIL COMMUNICATION

3. Resolution Relating To Excess Retirement System Assets and More Options for Employer Use of Those Assets – This Resolution supports legislation and any other effort to allow local agencies the option to utilize excess PERS investment assets as determined exclusively by the affected local contracting agency, and as permitted by law. City staff fully supports this Resolution as it will advocate local control for employers with regard to excess retirement assets, contract amendments, and retirement benefits.

4. Resolution Relating To Flexibility in the Wastewater Permitting Process by California State and Regional Water Quality Control Boards as Allowed by Law – The League's Environmental Quality Policy Committee will make their final recommendation at the League Conference, however City staff have reviewed and support this Resolution. In essence, this Resolution advocates that the League coordinate city efforts and actively engage the State and Regional Water Quality Control Boards to effectively negotiate the issuance of attainable discharge permits. In addition the Resolution encourages the State and Regional Water Quality Boards to treat multiple violations, caused by a single event, as one violation.

5. Resolution Relating To Modification of California SB 709 (Mandatory Penalties) and the Federal Clean Water Act Regarding Frivolous Citizen Lawsuits – The League's Environmental Quality Policy Committee has not made a final recommendation to the General Resolutions Committee and will do so during the September 12, 2001 meeting. City staff, however, has reviewed the proposed Resolution, and supports the Resolution which advocates that the League actively pursue changes in the California law to:

- Return the Regional Water Quality Control Board's discretion in setting penalties associated with discharge permit violations
- Allow penalties to be used as matching funds to complete approved corrective projects within the City
- Consider ability to pay mandatory penalties
- And to take certain actions thereby modifying the Federal Clean Water Act for purposes of eliminating frivolous citizen lawsuits for personal gain.

6. Resolution Relating To Incentives to Improve the Balance of Jobs and Housing in California – This Resolution, as amended by the Housing, Community and Economic Development Policy Committee, proposes to amend Health and Safety Code Chapter 3.7, the Jobs-Housing Balance Improvement Act, to provide tangible and productive tools and incentives to support job creation and retention in housing-rich, job-poor communities. City staff, in reviewing this Resolution, advocates the amendment, which specifies "all its cities" in reference to ensuring prosperous and livable communities. In addition, Rad Bartlam, Community Development Director, sits on the Housing, Community and Economic Development Policy Committee. Mr. Bartlam, during Committee meeting, voted in support of this Resolution.

APPROVED: _____

H. Dixon Flynn -- City Manager



CITY OF LODI

COUNCIL COMMUNICATION

7. Resolution Relating to Supporting the Passage of a Ballot Measure to Stabilize and Reform Local Government Financing – The League's Revenue and Taxation Policy Committee's preliminary recommendation is to approve this Resolution as it will support a ballot measure designed to stabilize local government revenues and enhance the ability of California's cities, counties, and special districts to meet the growing service and public facility needs of California. City staff concurs with the recommendation to support a ballot measure proposal to stabilize and reform local government finance.

8. Resolution Relating To Return of ERAF Funds To Cities – The League's Community Services Policy Committee has tendered a preliminary recommendation to the General Resolutions Committee to not approve this Resolution. Their decision is based on the existing League policy on this subject matter. Resolutions are not supposed to restate existing policy. Because of its high importance concerning local funding, City staff is recommending support of the Resolution therefore reinforcing the City's desire to have ERAF Funds reinstated to cities.

9. Resolution Relating To Telephone Area Codes – There have been numerous attempts in the past to reconfigure area codes, particularly in the San Joaquin region. The League's Transportation and Public Works Policy Committee is advocating that the League work with the California Public Utilities Commission, the various telephone companies and Federal Regulatory Agencies to improve telephone area code planning in California. City staff fully supports this Resolution and encourages the exploration of alternatives to splitting area codes.

As a final note, Mayor Pro-Tempore Phil Pennino and Council member Keith Land are the City of Lodi's delegates at the League Conference.

Funding: Not Applicable

Respectfully Submitted,

Janet S. Keeter
Deputy City Manager

APPROVED: _____

H. Dixon Flynn -- City Manager

August 10, 2001



TO: MAYORS AND
CITY MANAGERS

MEMBERS OF THE LEAGUE BOARD
OF DIRECTORS

MEMBERS OF LEAGUE POLICY
COMMITTEES

MEMBERS OF GENERAL
RESOLUTIONS COMMITTEE

Note to City Managers and City Clerks: Please make immediate distribution to the mayor and to other city officials planning to attend the 2001 Annual Conference. If additional copies are required, we urge you to reproduce them in your city or print a copy from the League's CITYLINK Web site (<http://www.cacities.org/2001resolutions>). Additional copies are not available from the League, but a limited number will be available at the Conference .

RE: TRANSMITTAL OF LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE
RESOLUTIONS

This packet contains:

- I. Information and Procedure
- II. Guidelines for Annual Conference Resolutions
- III. Location of Meetings
- IV. Membership of General Resolutions Committee
- V. Preliminary History of Resolutions
- VI. Annual Conference Resolutions

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PLEASE BRING THIS PACKET WITH YOU TO THE ANNUAL CONFERENCE

~ ~ ~ September 12-15 -- Sacramento ~ ~ ~

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I. INFORMATION AND PROCEDURE

Resolutions Contained in this Packet. The League bylaws provide that resolutions shall be referred by the president to an appropriate policy committee for review and recommendation. Resolutions with committee recommendations shall then be referred to the General Resolutions Committee at the annual conference.

This year nine resolutions have been presented for consideration by the annual conference and referred to the League policy committees. Each of the policy committees met July 19 or 20 to review proposed resolutions and to formulate preliminary recommendations prior to the annual conference. The sponsors of the resolutions were notified of the time and place of those meetings.

This packet contains a copy of all resolutions that have been received and assigned to policy committees. The source of the resolutions, the policy committees to which they were assigned, and the preliminary recommendations of the policy committees to the General Resolutions Committee are indicated. The recommended actions reported in this packet are preliminary.

Consideration of Resolutions at Conference. Another meeting of **policy committees** will be held at the annual conference on **Wednesday, September 12**. The location for each of these meetings is shown on page iv. During these hearings, any city official wishing to discuss any resolution will have an opportunity to address the policy committee concerned.

The General Resolutions Committee will meet at 9:30 a.m. on Friday, September 14, in the Sacramento Convention Center, to consider the reports of the policy committees. The committee includes one

representative from each of the League's regional divisions, functional departments, and standing policy committees, as well as additional city officials appointed by the League president.

The General Assembly will convene at 9:15 a.m. on Saturday, September 15, during the Annual Business Meeting in the Sacramento Convention Center to consider the report of the General Resolutions Committee.

Resolutions considered by the General Assembly will retain the numbers assigned to them in this document.

Initiative Resolutions. For those issues that develop **after** the normal 60-day deadline, a resolution may be introduced with a petition signed by designated voting delegates of 10 percent of all member cities (48 valid signatures required) and presented to the president of the League no later than 24 hours prior to the time set for convening the Annual Business Session of the General Assembly. This year, the deadline is **Friday, September 14, 2001, 9:15 a.m.** If the parliamentarian finds that a petitioned resolution is substantially similar in substance to a resolution already under consideration, the petitioned resolution will be disqualified.

Any questions concerning the resolutions procedure should be directed to Marian Avila in the Sacramento office of the League, (916) 658-8224.

David Fleming, President
League of California Cities
Mayor, Vacaville

II. GUIDELINES FOR ANNUAL CONFERENCE RESOLUTIONS

Policy development is a vital and ongoing process within the League. The principal means for deciding policy on the important issues facing cities and the League is through the standing policy committees and the board of directors. The process allows for timely consideration of issues in a changing environment and assures broad city officials the opportunity to both initiate and influence policy decisions.

This influence may be exercised directly through participation as a policy committee member or as a city official visiting a committee meeting to advance a position on an issue under the committee's purview. If committee membership or personal attendance is not feasible, city officials may affect policy decisions indirectly through department or division representatives on the policy committees or the board of directors.

Annual conference resolutions constitute an additional process for developing League policies. It is recommended that resolutions adhere to the following criteria.

Guidelines for Annual Conference Resolutions

1. The issue addressed in the resolution has a direct relation to municipal affairs.
2. The issue is not of a purely local or regional concern.
3. Generally, the recommended policy should not restate existing League policy.
4. The resolution should be directed at achieving one of the following objectives:
 - (a) Focus public or media attention on an issue of major importance to cities.
 - (b) Establish a general direction for the League by setting forth general principles around which more detailed policies may be developed by the policy committees and board of directors.
 - (c) Consider important issues not adequately addressed by the policy committees and board of directors.
 - (d) Amend the League bylaws. Resolutions to amend the League bylaws will require a two-thirds vote by the General Assembly for approval.

III. LOCATION OF MEETINGS

Policy Committee meetings will be as follows:

Wednesday, September 12, 2001 -- 1 p.m. and 2:30 p.m.
Hyatt Regency Hotel
1209 L Street
Sacramento

| <u>Policy Committee</u> | <u>Time</u> |
|---|-------------|
| Employee Relations | 1 p.m. |
| Community Services | 1 p.m. |
| Revenue and Taxation | 1 p.m. |
| [Note: Public Safety will not meet.] | - - |
| Administrative Services | 2:30 p.m. |
| Housing, Comm. & Econ. Development | 2:30 p.m. |
| Environmental Quality | 2:30 p.m. |
| Transportation, Communications & Public Works | 2:30 p.m. |

[illegible]

General Resolutions Committee
(Friday, September 14, 2001 at 9:30 a.m.)
Sacramento Convention Center

[illegible]

General Assembly at the Annual Business Meeting
(Saturday, September 15, 2001, at 9:15 a.m.)
Sacramento Convention Center

[illegible]

IV. GENERAL RESOLUTIONS COMMITTEE

LEAGUE OF CALIFORNIA CITIES

Annual Conference – Sacramento – September 12-15, 2001

Chair: John Russo, City Attorney, Oakland
Vice Chair: M. J. "Mac" Dube, Mayor, Twentynine Palms
Parliamentarian: Arlen Gregorio, Attorney at Law, San Francisco

Stephany Aguilar, Vice Mayor, Scotts Valley
Harry Armstrong, Council Member, Clovis
Ken Blake, Council Member, La Palma
Rosemary Corbin, Mayor, Richmond
Peggy Corrales, Mayor, Hollister
Pat Dando, Council Member, San Jose
Nancy Dillon, City Clerk, Hayward
Carole Dillon-Knutson, Council Member, Fairfield
Dennis Downs, Fire Chief, Ventura
Pat Eklund, Council Member, Novato
Rusty Fairly, Council Member, Santa Barbara
Maxine Gonsalves, Council Member, Pacifica
Henry Hearn, Vice Mayor, Lancaster
Terry Henderson, Council Member, La Quinta
Peter Herzog, Council Member, Lake Forest
Jack Hoffman, Personnel & Emp. Rel. Dir. Glendale
Erling Horn, Council Member, Lafayette
Michael Kashiwagi, Dir. of Public Works, Sacramento
Cheri Kelley, Council Member, Norwalk
Lucille Kring, Council Member, Anaheim
Al Leiga, Council Member, Claremont
Michelle Marchetta Kenyon, City Attorney, Calistoga
& Moraga
Carol McCauley, Council Member, Oceanside
Kathryn McCullough, Mayor, Lake Forest
Jere Melo, Mayor, Fort Bragg
Ernie Mitchell, Fire Chief, Pasadena
Mark Montemayor, Mayor, West Sacramento
Dave Mora, City Manager, Salinas
Rudy Natoli, Mayor, Pismo Beach
Lyle Norton, Director of Parks, Recreation & Arts
Diana Nourse, Council Member, Hesperia
Karen Oslund, Vice Mayor, Willits
Jim Perrine, Mayor, Marina
Miguel Pulido, Mayor, Santa Ana

Tim Raney, Council Member, Citrus Heights
Mike Serpa, Council Member, Modesto
Sophia Scherman, Mayor Pro Tem, Elk Grove
Linda Shahinian, Planning Commissioner, Culver City
Marty Simonoff, Mayor Pro Tem, Brea
Michael Smith, Fire chief, Fresno
Craig Steckler, Police Chief, Fremont
John Thompson, City Manager, Vacaville
Marland Townsend, Mayor, Sunnyvale
Barbara Underwood, Finance Director, Vista
Pat Vorreiter, Council Member, Sunnyvale
Kurt Wilson, Council Member, Rialto

V. HISTORY OF RESOLUTIONS

Resolutions have been grouped by policy committees to which they have been assigned.

KEY TO REVIEWING BODIES

1. Policy Committee - Preliminary
2. Policy Committee - Final
3. General Resolutions Committee
4. General Assembly

Action Footnotes

* Subject matter covered in another resolution

** Policy Committee will make final recommendation at September 12 meeting

*** Existing League policy

**** Local authority presently exists

KEY TO ACTIONS TAKEN

- A - Approve
- D - Disapprove
- N - No Action
- R - Refer to appropriate policy committee for study
- a - Amend
- Aa - Approve as amended
- Aaa - Approve with additional amendment(s)
- Ra - Amend and refer as amended to appropriate policy committee for study
- Raa - Additional amendments and refer
- Da - Amend (for clarity or brevity) and Disapprove
- Na - Amend (for clarity or brevity) and take No Action
- W - Withdrawn by Sponsor

[Procedural Note: Resolutions that are approved by the General Resolutions Committee, as well as all qualified petitioned resolutions, are reported to the floor of the General Assembly. At the 1998 Annual Conference, the League General Assembly approved Resolution #2, which established a procedure to give the General Assembly the additional opportunity to consider any resolutions approved by League policy committees but *not* approved by the General Resolutions Committee.

Following the adoption of Resolution #2-1998, League policy now provides that: Every resolution initially recommended for approval and adoption by all the League policy committees to which the resolution is assigned, but subsequently recommended for disapproval, referral or no action by the General Resolutions Committee, shall then be placed on a consent agenda for consideration by the General Assembly. The consent agenda shall include a brief description of the bases for the recommendations by both the policy committee(s) and General Resolutions Committee, as well as the recommended action by each. Any voting delegate may make a motion to pull a resolution from the consent agenda in order to request the opportunity to fully debate the resolution. If, upon a majority vote of the General Assembly, the request for debate is approved, the General Assembly shall have the opportunity to debate and subsequently vote on the resolution.]

Resolutions have been grouped by policy committees to which they have been assigned.

Number _____ Key Word Index _____ Reviewing Body Action _____

ADMINISTRATIVE SERVICES POLICY COMMITTEE

| | | 1 | 2 | 3 | 4 |
|---|---|---|---|---|---|
| 1 | Revising Bylaws for the League of California Cities | A | | | |

COMMUNITY SERVICES POLICY COMMITTEE

| | | | | | |
|---|--|----|--|--|--|
| 2 | Day Care Services for Children, Adults and Seniors | Aa | | | |
|---|--|----|--|--|--|

EMPLOYEE RELATIONS POLICY COMMITTEE

| | | | | | |
|---|---|----|--|--|--|
| 3 | Excess Retirement System Assets and More Options for Employer Use of Those Assets | Aa | | | |
|---|---|----|--|--|--|

ENVIRONMENTAL QUALITY POLICY COMMITTEE

| | | | | | |
|---|--|----|--|--|--|
| 4 | Flexibility in the Wastewater Permitting Process by California State and Regional Water Quality Control Boards as Allowed by Law | ** | | | |
| 5 | Modification of California SB 709 (Mandatory Penalties) and the Federal Clean Water Act Regarding Frivolous Citizen Lawsuits | ** | | | |

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT POLICY COMMITTEE

| | | | | | |
|---|---|----|--|--|--|
| 6 | Incentives to Improve the Balance of Jobs and Housing in California | Aa | | | |
|---|---|----|--|--|--|

PUBLIC SAFETY POLICY COMMITTEE

| | | | | | |
|-------------|--|--|--|--|--|
| Note | No resolutions were assigned to this policy committee. | | | | |
|-------------|--|--|--|--|--|

REVENUE AND TAXATION POLICY COMMITTEE

| | | | | | |
|---|---|----|--|--|--|
| 7 | Supporting the Passage of a Ballot Measure to Stabilize and Reform Local Government Financing | Aa | | | |
| 8 | Return of ERAF Funds to Cities | D | | | |

TRANSPORTATION AND PUBLIC WORKS POLICY COMMITTEE

| | | | | | |
|---|----------------------|---|--|--|--|
| 9 | Telephone Area Codes | A | | | |
|---|----------------------|---|--|--|--|

RESOLUTIONS INITIATED BY PETITION

| | | Resolution Committee Recommendation | General Assembly Action |
|--|--|---|-------------------------------|
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VI. ANNUAL CONFERENCE RESOLUTIONS

RESOLUTION REFERRED TO ADMINISTRATIVE SERVICES POLICY COMMITTEE

1. RESOLUTION RELATING TO REVISING BYLAWS FOR THE LEAGUE OF CALIFORNIA CITIES

Source: Board of Directors

Referred to: Administrative Services Policy Committee

Preliminary Recommendation to General Resolutions Committee: **Approve.**

Final Recommendation to General Resolutions Committee:

(Note: Adoption of amendments or revisions of the League bylaws requires a two-thirds vote of the General Assembly at the Annual Conference.)

WHEREAS, the bylaws for the League of California Cities were extensively updated and revised in 2000; and

WHEREAS, during last year's revision process, the Administrative Services Policy Committee of the League recognized additional technical and substantive changes to the bylaws it wished to consider and, therefore, as part of its 2001 work program has reviewed and recommended additional amendments to the bylaws; and

WHEREAS, the board of directors has conducted a thorough review of the proposed revisions and approved a final series of bylaws amendments; and

WHEREAS, information concerning the proposed bylaws amendments has been available to city officials on the Internet, the revised bylaws have been distributed to all cities for review, and a summary of major policy issues addressed in the amendments is attached to this resolution; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League approve the proposed revised bylaws for the League of California Cities that are incorporated herein by reference.

Additional information concerning resolution #1 is available on the League's web site (www.cacities.org/draftbylaws). Background information also was mailed to all cities with the resolutions packet.

The background information includes:

- *A cover letter addressing the process for development and consideration of these amendments to the bylaws, and a summary of major policy changes proposed by these amendments.*
- *A redline version of the bylaws showing the current language and the proposed amendments (green pages).*

... OVER

Summary of Proposed Bylaws Changes

- **League Purpose and Objectives.** Updated to incorporate the new League mission statement adopted as part of League strategic plan and to have a less program-specific orientation. Adds the objective engaging the membership in a continuing analysis of member needs. *See pages 1 and 2 of Proposed Draft Revised Bylaws.*
- **Dues/Finances.** New dues language accommodates possibility of dues increases of over ten percent; new language requires member ratification of all dues increases that exceed consumer price index or five percent (whichever is greater); member ratification is necessary for any dues increase over ten percent. Maintains \$5,000 dues cap. Majority vote required for member ratification of dues increases. *See pages 3 through 4 of Proposed Draft Revised Bylaws.* Also requires League budget to be transmitted to division presidents. *See page 27 of Proposed Draft Revised Bylaws.*
- **Resolutions Committee.** Allows divisions, departments and policy committees to designate the individuals to be appointed by the League president to the resolutions committee; limits presidential appointments to 10, at least five of whom must be elected officials. *See page 7 of Proposed Draft Revised Bylaws.*
- **Resolutions Process.** Requires (instead of permits) referral of substantive resolutions to policy committees. *See page 8 of Proposed Draft Revised Bylaws.* Clarifies Parliamentarian role with respect to evaluating petitioned resolutions for substantial similarity to other resolutions and germane-ness to city issues. Parliamentarian's report is made to Resolutions Committee chair and Resolutions Committee may disqualify resolution on these grounds. *See page 9 of Proposed Draft Revised Bylaws.*
- **Nominating Committee/Elections.** Adds nominating process for officers and League board at-large members to bylaws (as opposed to being specified by board policy). Nominating committee members are appointed by League president from specified divisions on a rotating basis (one set of eight divisions determine nominating committee membership in even years, the other set determines in odd years). *See pages 12 and 13 of Proposed Draft Revised Bylaws.*
- **Committees.** Consolidates two bylaws sections on committees into one section. Adds policy committees as League standing committees. Requires feedback to policy committees on recommendations. *See pages 14, 15 and 17 of Proposed Draft Revised Bylaws*
- **Mail Ballot Procedures.** Moves mail balloting procedures to general "voting" section of the bylaws and makes conforming changes to sections that refer to the mail balloting process. *See pages 25-26 of Proposed Draft Revised Bylaws (see also pages 4 and 35).*
- **Vacancies.** Adds "missing three consecutive convened meetings" as a basis for finding a vacancy in any League office (in addition to resignation and leaving city service). *See page 26 of Proposed Draft Revised Bylaws.*
- **Bylaws Amendments.** Clarifies that two-thirds of those voting must vote in favor of a proposed bylaw amendment. *See page 32 of Proposed Draft Revised Bylaws.* Specifies bylaws amendments go into effect upon expiration of protest period. *See page 34 of Proposed Draft Revised Bylaws.*

There are a number of other proposed substantive, consistency and grammatical changes and city officials are encouraged to review the redline version to identify all the changes.

2. RESOLUTION RELATING TO DAY CARE SERVICES FOR CHILDREN, ADULTS AND SENIORS

Final Recommendation to General Resolutions Committee:

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WHEREAS, local agency and local taxpayers interests are disregarded; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League support legislation and any other effort to allow local agencies the option to utilize excess PERS investment assets as determined exclusively by the affected local contracting agency, and as permitted by law.

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RESOLUTIONS REFERRED TO ENVIRONMENTAL QUALITY POLICY COMMITTEE

4. RESOLUTION RELATING TO FLEXIBILITY IN THE WASTEWATER PERMITTING PROCESS BY CALIFORNIA STATE AND REGIONAL WATER CONTROL BOARDS AS ALLOWED BY LAW

Source: City of Fortuna

Referred to: Environmental Quality Policy Committee

Preliminary Recommendation to General Resolutions Committee: Policy Committee will make final recommendation at September 12 meeting.

Final Recommendation to General Resolutions Committee:

WHEREAS, the Clean Water Act allows citizens to file lawsuits alleging violations of the Clean Water Act for the prior five-year period; and

WHEREAS, few lawsuits were filed by citizens between the 1970s and early 1990s, and since the early 1990s the number of lawsuits filed has increased; and

WHEREAS, a citizen's lawsuit bypasses all the normal enforcement options, including verbal requests, notices of violations, and cease and desist orders issued by the enforcement agency; and

WHEREAS, if a judge or jury certifies one violation over a five-year period, it is sufficient for the court to award civil penalties, attorney fees, and expert witness fees to the plaintiff; and

WHEREAS, it is almost impossible to not have some violations over a five-year period; and

WHEREAS, it costs between \$0.6 and \$1.0 million to defend a lawsuit, pay any penalties assessed by the court, and pay the plaintiff's attorney fees; and

WHEREAS, almost all local governments and private businesses settle suits out of court due to the substantial cost to defend a lawsuit and, as a result, there is little case law to support the arguments of defendants in citizen lawsuit cases; and

WHEREAS, the effectiveness, and more importantly, the intent of the Clean Water Act is lost when plaintiffs' attorneys receive large awards at the expense of environmental remediation or upgrades to wastewater treatment systems; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League:

- 1) Coordinate city efforts and actively engage the State and Regional Water Quality Control Boards in an effort to negotiate the issuance of attainable discharge permits rather than a zero tolerance standard at all times. Permits should recognize the goals of the Clean Water Act but should consider the true operational capabilities of a wastewater or stormwater treatment system, the unique

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strategy to encourage the construction of housing in housing poor regions and to attract jobs to areas that lack a sufficient employment base; and

WHEREAS, the primary focus, and therefore funding, in AB 2864 was for the production of housing and not job creation; and

WHEREAS, it is sound smart growth policy to make investments in job creation and infrastructure where people already live; and

WHEREAS, the future social and economic success of California is dependent on ensuring that all its cities are prosperous and livable communities that are vital and health places for all residents to live, work, obtain an education, and raise a family; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League support legislation to amend Health and Safety Code Chapter 3.7, the Jobs-Housing Balance Improvement Act, to provide tangible and productive tools and incentives to support job creation and retention in housing-rich, jobs-poor communities, such as:

- a. Awarding direct grants to fund the development of infrastructure that results in the creation and retention of jobs; and
- b. Eliminating matching dollar requirements for economic development and infrastructure state grants; and
- c. Providing grant funding for infrastructure planning and design and the creation of economic development strategies; and
- d. Allowing cities maximum flexibility in the use of state funds toward local priorities that support job creation; and be it further

RESOLVED, that the League encourage the state to adopt policies and programs that establish a comprehensive solution to the infrastructure and jobs/housing needs of all communities within the state.

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RESOLUTIONS REFERRED TO REVENUE AND TAXATION POLICY COMMITTEE

7. RESOLUTION RELATING TO SUPPORTING THE PASSAGE OF A BALLOT MEASURE TO STABILIZE AND REFORM LOCAL GOVERNMENT FINANCING

Source: League Board of Directors

Referred to: Revenue and Taxation Policy Committee

Preliminary Recommendation to General Resolutions Committee: **Approve as amended.**

Final Recommendation to General Resolutions Committee:

WHEREAS, the need for greater constitutional protection of local government revenues in California is a matter of grave necessity in order to protect the autonomy and quality of life in communities throughout the state; and

WHEREAS, as a result of a series of constitutional ballot measures dating back to 1978, state government has been given increased authority to utilize local revenues and taxes to cover state general fund deficiencies; and

WHEREAS, actions by the state over the past 20 or more years have seriously eroded and destabilized the local government revenue base; and

WHEREAS, due to continuing population growth, the erosion of local government revenues have and will continue to degrade the quality of local services and public facilities, so that today local government is unable to meet pressing local needs and fulfill citizens' reasonable and legitimate expectations; and

WHEREAS, local government revenues must be stabilized before any long-term planning and public facility construction and rehabilitation can be seriously undertaken by local government; and

WHEREAS, the issue of local government revenue stabilization and reform of the state-local fiscal relationship has not been a priority of the Legislature and Governor; and

WHEREAS, local government representatives have repeatedly petitioned their state representatives seeking redress of the imbalanced nature of the state-local fiscal relationship, and received no lasting, reliable, substantial relief;

WHEREAS, a proposal to stabilize and reform local government finance should be placed before the voters of California for a resolution of this continuing problem; now therefore be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the membership of the League support the passage of a ballot measure designed to stabilize local government revenues and enhance the ability of California's cities, counties and special districts to meet the growing service and public facilities needs of Californians.

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8. RESOLUTION RELATING TO RETURN OF ERAF FUNDS TO CITIES

Source: Community Services Policy Committee

Referred to: Revenue and Taxation Policy Committee

Preliminary Recommendation to General Resolutions Committee: **Disapprove.**

Final Recommendation to General Resolutions Committee:

WHEREAS, the shift of ERAF has negatively affected cities in California, with a loss of \$1.6 billion to California's cities since 1992, and a loss of over \$300 million in the year 2000; and

WHEREAS, the shift of ERAF has affected cities throughout California, for example, the City of Albany has community services unfunded capital project needs in excess of \$8.5 million in park restoration and drainage repairs, park creation, sports fields relocation, earthquake retrofit of city buildings and traffic safety projects; and annual unfunded operating costs of \$1 million, including library hours and street maintenance, and cities throughout California have similar unfunded projects and operating costs; and

WHEREAS, taxpayers throughout California have already shouldered a fair share of the city's financial loss by passing tax measures to backfill community services, yet more needs remain; and

WHEREAS, the State of California has mandated unfunded affordable housing quotas; and

WHEREAS, California cities are facing increased costs of energy, construction and staff; and

WHEREAS, property taxes are the primary source of reliable income to cities; and

WHEREAS, citizens expect their property taxes to primarily support their cities, yet only about 18% of their property tax payments go to cities; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League request the State of California return ERAF funds to California's cities.

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**RESOLUTION REFERRED TO TRANSPORTATION, COMMUNICATIONS AND PUBLIC WORKS
POLICY COMMITTEE**

9. RESOLUTION RELATING TO TELEPHONE AREA CODES

Source: Los Angeles County Division

Referred to: Transportation, Communications and Public Works Policy Committee

Preliminary Recommendation to General Resolutions Committee: **Approve.**

Final Recommendation to General Resolutions Committee:

WHEREAS, there are currently 25 common telephone area codes within the State of California; and

WHEREAS, 21 of the existing area code regions are being considered for geographic modification; and

WHEREAS, consistency in area code designation is important to maintain community identity in regional planning and economic development; and

WHEREAS, the negative physical and economic impact on individuals and businesses includes increased inconvenience to individuals forced to adapt to new dialing habits, the costs of reprinting stationery, notifying customers and changing advertisements; and

WHEREAS, the cumulative costs of repeated area code splits to businesses may discourage economic development in California; and

WHEREAS, wireless telephone carriers continue to receive phone numbers in blocks of 10,000 instead of 1,000, creating an artificial shortage of telephone numbers; and

WHEREAS, other reasonable alternatives exist to satisfy the demand for telephone numbers; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities assembled in Annual Conference in Sacramento, September 15, 2001, that the League work with the California Public Utilities Commission, the various telephone companies and federal regulatory agencies to improve telephone area code planning in California.

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Proposed Amended Bylaws for the League of California Cities¹ *With redlining to reflect suggested changes²*

Article I: General

Section 1: Corporation Name. This corporation is the League of California Cities (the League) .

Section 2: Offices. The principal office of this corporation shall be located in Sacramento, California. The League Board of Directors (League Board) may establish such other League offices as it deems necessary to the effective conduct of League programs.

Section 3: Compliance with Governing Laws. In all matters not specified in these bylaws, or in the event these bylaws do not comply with applicable law, the California Nonprofit Corporation Law applies.

Article II: Purpose *and Objectives*

Section 1: ~~General.~~ The League's purposes are the promotion of California cities by the following cooperative means:

~~(a) Organizing conferences of city officials and maintaining a central office of information and research for the practical study of matters pertaining to city government;~~

~~(b) Stimulating greater interest and more active civic consciousness among the people as to the importance and significance of matters relating to city government and administration;~~

~~(c) Publishing an official magazine, or magazines, and other publications or special reports on city government and administration;~~

¹ Note: All footnotes are for reference and explanation only and are not part of the bylaws text.

² **Guide to Redlining:** Language in *italics* is proposed new language; language in ~~strikeouts~~ are proposed deletions of language. Changes are indicated from the bylaws language presently in effect, except as noted with respect to Article XVII (the presently pending amendment to the bylaws relating to the Grassroots Network).

~~(d) Sponsoring or supporting necessary or desirable legislation which will be beneficial to California cities generally, and opposing injurious legislation;~~

~~(e) Securing of harmony among cities and other governmental agencies in matters that affect California cities' rights and liabilities, and transmitting to all levels of government the problems of cities and the facts and experiences upon which to formulate policies.~~

Section 2: Board Prerogatives. ~~The League Board may adopt and revise mission statements and strategic plans to strengthen and focus the League's efforts in service to cities.~~

Section 1: General. *The League's purpose is to strengthen and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.*

Section 2: Objectives. *The League's objectives are the following:*

(a) Advocate legislation that results in benefits to Member Cities,

(b) Communicate to Member Cities and the public on issues related to the general welfare of citizens in California cities,

(c) Pursue strong intergovernmental relationships to promote the well being of California cities,

(d) Organize educational opportunities, such as conferences of city officials,

(e) Stimulate greater public interest and more active civic consciousness as to the importance of cities in California's system of government,

(f) Collect and disseminate information of interest to Member Cities, and

(g) Engage the membership in a continuing analysis of the needs of Member Cities.

Article III: Membership

Section 1: Qualification.

(a) Cities. Any city, or city and county, in California may, by the payment of annual dues prescribed in Article IV, become a Member City and as such is entitled to League services and privileges

(b) OfficersElected and Appointed Officials and Employees. All

~~officers~~ *selected and appointed officials in of* Member Cities are members of the League.

Section 2: Termination. Membership is suspended or terminated whenever any of the following occurs:

- (a) The Member City resigns by giving written notice to the League;
- (b) The Member City does not pay dues, fees or assessments in the amounts and terms set by the League Board; or
- (c) An event occurs that makes the Member City ineligible for membership.³

Section 3: Honorary Members. Any person who has given conspicuous service for the improvement of city government may, by the vote of the League Board, be granted an honorary membership in the League. All ex-presidents of the League are Honorary Members. Honorary Members as such do not have a voice or vote in any of the meetings of the League and do not have membership status in the League for purposes of state and federal laws.

Section 4: Non-Liability. No Member City is liable for the debts or obligations of the League.

Article IV: Dues

Section 1: Establishment. The League Board establishes the League's dues annually according to city population. The population of each city is the population used by the State Controller in making the most recent allocation of subventions to cities.

Section 2: Increase in Dues.

*(a) **Board Vote Requirement.** Any increase in dues must be approved by the League Board by a two-thirds vote. The League Board's approval shall be accompanied by an explanation of the need for the increase, including but not limited to:*

(i) Increases in the League's costs related to general increases in the consumer price index or other factors; and/or

(ii) The expansion of existing programs or initiation of new programs.

³ See Cal. Corp. Code § 7341(c) (requiring termination procedures to be included in bylaws). An example of the latter (section 2(c)) would be disincorporation.

*(b) **Member City Ratification Requirement.** Any dues increase that exceeds either the “consumer price index” for the preceding twelve months or five percent (whichever is greater) requires Member City ratification. In no event, however, shall the League Board approve a dues increase in excess of ten percent without Member City ratification.*

*(i) **“Consumer Price Index” Defined.** For purposes of this section, the consumer price index is the California consumer price index for all urban consumers calculated by the California Department of Industrial Relations or its state or federal successor.*

*(ii) **Approval Threshold.** Member City ratification requires a majority of Member Cities casting votes.*

*(iii) **Mechanism for Seeking Approval.** The ratification may occur at the League’s General Assembly (see Article V, section 1(c)) or by using the mail balloting procedure (see Article XI, section 5).*

*(c) **Dues Cap.** In no event will a Member City’s dues increase by more than \$5,000 per year.*

~~**Section 2: Increase in Dues.** As may be warranted, the League Board by a two-thirds vote may increase the preceding year’s dues after notice and justification to Member Cities. The League Board may increase dues up to ten percent annually. In no event will a city’s dues increase by more than \$5,000 per year.~~

~~**Section 3: Ratification by Regional Divisions.**~~

~~(a) Any change in dues adopted by the League Board exceeds the “consumer price index” for the preceding twelve months shall be submitted to the regional divisions for ratification. For purposes of this section, the consumer price index will be the California consumer price index for all urban consumers calculated by the California Department of Industrial Relations or its state or federal successor.~~

~~(b) Ratification by a majority of the regional divisions representing a majority of the Member Cities constitutes approval of the dues change. Regional divisions shall respond to the proposed dues change within 60 calendar days from the League Board’s notice of the change. Regional divisions not responding within 60 calendar days are considered as having ratified the dues change.~~

~~Section 4~~ **Section 3: Delinquency.** Any Member City of the League who is delinquent in dues, fees or assessments may be suspended or have that member's membership terminated as provided in Article III, section 2.

Article V: Membership Meetings

Section 1: Annual Conference.

(a) Time and Place. The League's regular Annual Conference is held at the time and place as the League Board determines. In case of any unusual conditions or extraordinary emergency, the League Board may, ~~in~~ at its discretion, change the time or place of the meeting.

(b) Conference Program Planning. The League Board shall establish an Annual Conference program planning process that provides for input from representative segments of the League's membership.

(c) City Delegates as General Assembly. Any official of a Member City may, with the approval of the city council, be designated the city's designated voting delegate or alternate delegates to any League meeting. Designated voting delegates (or their alternates) ~~registered to attend at the Annual Conference~~ constitute the League's General Assembly.

Section 2: Special Meetings. Special meetings of the League may be called by the League Board and shall be called by the League Board upon the written request of forty Member Cities.

Section 3: Notice of Meetings. Notice shall be given to all Member Cities of the time and place of all regular and special meetings by mailing a written notice at least fifteen days prior to each meeting, or by publishing a notice of the meeting at least two weeks prior to the meeting in the official publication of the League; provided, however, that failure to receive such notice does not invalidate any proceedings at such meeting.

Section 4: Parliamentarian. The League President shall appoint a Parliamentarian to resolve procedural issues at the League's General Assembly and in Resolutions Committee meetings.

Section 5: Credentials. *Designated voting delegates must register to attend the Annual Conference and with the Credentials Committee.* The League President shall appoint a three-person Credentials Committee no later than the first day of the Annual Conference. In case of dispute, this committee determines the right of a member to ~~vote~~ participate.

Section 6: Quorum. The presence of ~~the~~ *a credentialed* voting delegate (or alternate) from a majority of Member Cities ~~registered to attend the Annual Conference~~ constitutes a quorum at the League's General Assembly. A majority of the quorum is necessary for decision.

Section 7: Voting. Voting at the League's General Assembly is by display of voting cards⁴, ~~unless a roll call vote is requested by voting delegates from three or more Member Cities.~~ A voting card will be issued to each city's designated voting delegate upon presentation of evidence of the delegate's designation by the city. This information is also considered by the Credentials Committee in making its determinations.

Article VI: Membership Resolutions

Section 1: Role and Scope of Resolutions. Resolutions adopted by the League's General Assembly at Annual Conferences and such *League* Board policies as are not inconsistent with such resolutions constitute League policy. All resolutions shall have some direct relation to city issues.

Section 2: Origination. Resolutions may originate from city officials, city councils, regional divisions⁵, ~~department~~ *functional departments*⁶, policy committees, or *the League* Board or by being included in a petition signed by designated voting delegates of ten percent of the number of Member Cities.

⁴ See article XI for additional information about voting.

⁵ "Regional divisions" are defined in Article IX of these bylaws.

⁶ "Functional departments" are defined in Article X of these bylaws.

Section 3: Resolutions Committee.

(a) Resolutions Committee Composition~~Committee Size and Creation.~~ The League President appoints a Resolutions Committee sixty days prior to each Annual Conference, which committee shall consist of: ~~not less than thirty city officials.~~

(i) One elected official from, and designated by, each regional division;

(ii) One elected official from, and designated by, each policy committee;

(iii) One member from, and designated by, each functional department; and

(iv) Up to ten additional members (at least five of whom are elected officials) as the League President deems necessary to achieve geographic and population balance, as well as recognize the multiplicity of city functions not represented by the other appointments, including, but not limited to, the perspectives of board and commission members as well as professional staff.

(b) In the event a regional division, policy committee or functional department does not designate a representative for appointment to the Resolutions Committee, the League President may make the designation on the regional division's, policy committee's or functional department's behalf.

(c) (b) Appointments Chair. The League President shall *also* appoint to the Resolutions Committee ~~a representative from each policy committee, regional division and functional department of the League. The League President, appoints a committee chairperson~~ *chair* and vice chairperson ~~chair~~ and may appoint such additional members as the League President deems necessary to recognize the multiplicity of functions not represented by other nominations, including but not limited to board and commission members, professional staff and geographic and population balance.

(c) Committee Nominations. ~~At least seventy-five days prior to each Annual Conference, the presiding official from each policy committee, regional division and functional department may nominate at least one of its members to the League President for appointment to the Resolutions Committee.~~

(d) Minimum Committee Size and Composition. In the event the full committee is not in attendance at the Annual Conference, the League President shall appoint a sufficient number of *city* officials in attendance to achieve a total of thirty. No less than two-thirds of the members of the Resolutions Committee shall be ~~mayors and council members elected~~ *officials*.

(e) Committee Consideration of Proposed Resolutions. Except for resolutions of courtesy, commendation, appreciation or condolence, no resolution expressing the opinion or policy of the League on any question may be considered or discussed by the League's General Assembly, unless it has been first submitted to, and reported on, by the Resolutions Committee.

Section 4: Procedure for Review.

(a) Timing. Except for petitioned resolutions, all resolutions shall be submitted to the Resolutions Committee, at the League's headquarters, not later than sixty days prior to the opening session of the League's General Assembly.

(b) Referral to Policy Committees.

(i) Review and Recommendations. Except for resolutions of courtesy, commendation, appreciation or condolence, all resolutions submitted to the Resolutions Committee shall be referred by the League President to an appropriate policy committee for review and recommendation prior to the opening general session of the Annual Conference.

(ii) Report to Resolutions Committee. Policy committees shall report their recommendations on such resolutions to the Resolutions Committee. The inability of a policy committee to make a recommendation on any resolution does not preclude the Resolutions Committee from acting upon it.

~~All resolutions submitted to the Resolutions Committee may be referred by the League President to an appropriate policy committee for review and recommendation prior to the opening general session of the Annual Conference, and such resolutions with recommendations may be reported to the Resolutions Committee at the Annual Conference. The inability of a policy committee to make a recommendation on any resolution does not preclude the Resolutions Committee from acting upon it.~~

Section 5: Resolutions Proposed by Petition.

(a) Presentation by Voting Delegate. A designated voting delegate of a city may present by petition a resolution to the League President for consideration by the Resolutions Committee. These resolutions are known as "petitioned resolutions."

(b) Contents. The petition shall contain the specific language of the resolution ~~and~~; a statement requesting consideration by the League's General Assembly. ~~and~~

(c) Signature Requirements. *The petition shall be signed by designated voting delegates registered with the Credentials Committee who represent* ~~of~~ ten percent of the number of Member Cities.

(d) Time Limit for Presentation. The signed petition shall be presented to the League President no later than twenty-four hours prior to the time set for convening the League's General Assembly.

(e) Parliamentary Review. If the League President finds that the petition has been signed by designated voting delegates of ten percent of the number of Member Cities, the petition shall be reviewed by the Parliamentarian *for form and substance. The Parliamentarian's report shall* ~~and then be~~ presented to the chair of the Resolutions Committee. *Among the issues that may be addressed by the Parliamentarian's report is whether the resolution should be disqualified as being either* ~~If the Parliamentarian finds that a resolution submitted by petition is~~

(i) Non-germane to city issues or

(ii) Identical to or substantially similar in substance to a resolution already under consideration, ~~the petitioned resolution will be disqualified.~~

(f) The Resolutions Committee may disqualify a petitioned resolution as either being (i) non-germane to city issues or (ii) identical or substantially similar to a resolution already under consideration.

(g) Consideration by General Assembly. The petitioned resolution ~~along with~~ *and* the action of the Resolutions Committee will be considered by the League's General Assembly following consideration of other resolutions.

(h) Availability of List of Voting Delegates. A list of voting delegates shall be made available during the Annual Conference to any designated

voting delegate upon request.

Section 6: Full Debate. The opportunity for full and free debate on each resolution *brought before the General Assembly* shall occur prior to adoption consideration of a resolution.

Article VII: Board of Directors

Section 1: Role and Powers. Subject to the provisions and limitations of California Nonprofit Corporation Law, any other applicable laws, and the provisions of these bylaws, the League's activities and affairs are exercised by or under the direction of the League's Board of Directors. The League Board is responsible for the overall supervision, control and direction of the League. The League Board may delegate the management of the League's affairs to any person or group, including a committee, provided the League Board retains ultimate responsibility for the actions of such person or group.

Section 2: Composition. The League's Board is composed of the following:

- (a) A President, First Vice-President and Second Vice-President/Treasurer of the League, who each serve a term of one year and are elected pursuant to Article VII, section 5; and*
- (ab) The Immediate Past President of the League who serves for a term of one year, immediately succeeding his or her term as President;*
- (bc) Ten Directors-at-Large,*
 - (1) Who serve for a term of one year,*
 - (2) Who are elected by the League Board at its organization meeting, and*
 - (3) At least one of whom is a representative of a small city.*
- (cd) One Director to be elected from each of the regional divisions and departmentfunctional departments of the League, each of whom serves for a term of two years;*
- ~~(d) A President, First Vice-President and Second Vice-President of the League, who each serve a term of one year and are elected pursuant to Article VII, section 2; and~~
- (e) Members of the National League of Cities Board of Directors who hold an office in a Member City.*

Directors hold office until their successors are elected and qualified or, if they sit on the League Board by virtue of their membership on the National League of Cities Board of Directors, until their terms on the National League of Cities

Board of Directors conclude.

Section 3: Staggered Terms. The terms of the Directors are staggered, so that the terms of approximately one-half of the members of the League Board expire each year.

(a) Even-Numbered Year Terms. The terms of the Directors from the departments of Fiscal Officers, Public Works Officers, Mayors and Council Members, Planning and Community Development, Fire Chiefs, City Clerks and the following regional divisions: Central Valley, Imperial County, Monterey Bay, North Bay, *Orange County*, Redwood Empire, Sacramento Valley and San Diego County expire in even-numbered years,

(b) Odd-Numbered Year Terms. The terms of the Directors in the departments of City Attorneys, City Managers, Police Chiefs, Recreation, Parks and Community Services, Personnel and Employee Relations and the following regional divisions: Channel Counties, Inland Empire, Desert-Mountain, East Bay, Los Angeles County, ~~Orange County~~, Peninsula, Riverside County and South San Joaquin Valley expire in odd-numbered years.

Section 4: Election of Directors.

(a) Functional Department Directors. Unless their respective *functional* department bylaws provide otherwise, Departmental Directors are elected by their respective departments at the Annual Conference.

(b) Regional Division Directors. Unless their respective regional division's- bylaws provide otherwise, Regional Directors are elected at the regional division meeting immediately preceding the Annual Conference.

(c) At-Large Directors. Directors-at-Large are elected by the League Board at its organization meeting.

(d) Commencement of Terms. The term of office of all newly elected Directors commences immediately on the adjournment of the Annual Conference; however, the newly constituted *League* Board may meet prior to the adjournment of the Annual Conference for the purpose of organization.

(e) Additional Directors. In the event of the creation of additional regional divisions or *functional* departments of the League, each regional division or *functional* department may elect a representative to the League Board. When a new *functional* department or regional division is created at any Annual Conference, the League Board may select a Director to represent such *functional* department or regional division until the entity organizes and elects a Director in the regular manner. The League Board may fix the initial term of any such Director from a new regional division or *functional* department at either one or two years, so as to keep the number of terms expiring on alternate years as nearly equal as possible.

Section 5: Nomination and Election Process

(a) **Composition.** *The League President, with the concurrence of the League Board,⁷ shall establish a nominating committee at least 90 days in advance of the League's Annual Conference. The nominating committee shall be comprised of nine members, eight of whom are named from regional divisions, one from each division on the following rotating basis:*

(i) **Even-Numbered Years:** *Central Valley, Imperial County, Monterey Bay, North Bay, Orange County, Redwood Empire, Sacramento Valley and San Diego County*

(ii) **Odd-Number Years:** *Channel Counties, Inland Empire, Desert-Mountain, East Bay, Los Angeles County, Peninsula, Riverside County, and South San Joaquin*

The League President shall appoint the chair of the nominating committee.

(b) **Duties.** *The duties of the nominating committee are to:*

(i) **Member Outreach.** *Solicit nominations for the offices of Second Vice President/Treasurer and ten at-large members for the League Board from the League's Member Cities;*

(ii) **At-Large and Second Vice President Recommendation.** *Make recommendations to the League Board on the following year's League officers⁸ and at-large board members; and*

⁷ See Bylaws Article VII, section 8(c), for provisions relating to telephonic meetings.

⁸ See Bylaws Article VIII for provisions relating to League officers.

(iii) **President and First Vice President Recommendation.**

Recommend whether the previous year's First Vice President becomes President and the previous year's Second Vice President/Treasurer becomes First Vice President.

- (c) **Notice to Members.** *The identity of nominating committee members shall be publicized in League publications and communications, along with an explanation of the nomination process and relevant deadlines for submitting nominations to the nominating committee.*
- (d) **Decision and Report.** *The nominating committee's decision shall be made and communicated to the League Board not later than 30 days prior to the date of the League's Annual Conference and again at the first board meeting at the Annual Conference. In addition, the nominating committee shall make its report to the membership at the opening general session of the Annual Conference.⁹*

Section 56: Vacancies.

(a) Functional Departmental Directorships. In the event of a vacancy in a *functional* departmental directorship, the president of the department may become a member of the League Board or may appoint a member of his or her department to fill the vacancy. The person filling the vacancy holds office for the remainder of the term for which his or her predecessor was elected.

(b) Regional Division Directorships. If a vacancy occurs in the regional division directorship, the regional division in question may elect a new Director at the next regular meeting of the regional division. The person elected to fill such vacancy in a regional division directorship holds office for the remainder of the term for which his or her predecessor was elected.

Section 67: Resignation. Any Director resignation is effective upon receipt in writing by the League's President or Executive Director, unless a later date is specified in the letter.

Section 78: Meetings and Meeting Notice.

(a) Regularly Scheduled Board Meetings. The League Board shall meet no fewer than four times a year. Notice of regularly scheduled Board meetings shall be mailed to each Director at least 14 days before any such meeting.

(b) Emergency Board Meetings. A good faith effort shall be made to

⁹ See Bylaws Article VIII, section 3 (for election of League officers) and Article VII, section 2(c)(2) (for election of at-large board members).

provide notice of any emergency board meetings (for example, by first-class mail, personal or telephone notification, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means).

(c) Notice Content. All meeting notices shall include the meeting date, place, and time of the meeting.

Section 89: Policies. The League Board may adopt such policies for its government as it deems necessary *and which are not inconsistent with these bylaws. In the event of an inconsistency, these bylaws shall prevail.*

Section 910: Executive Committees.

(a) General. *The League Board may establish committees to study city problems, advise on League educational efforts, make recommendations with respect to League advocacy efforts, or to engage in other appropriate League service.*

(b) Executive Committee

(i) Composition. *The Executive Committee of the League Board consists of the following: the League's President, First Vice-President, Second Vice-President/Treasurer, Immediate Past President and Executive Director.*

(ii) Authority. *The Executive Committee has authority to act for the League Board between Board meetings, provided that no action of the Executive Committee is binding on the League Board unless authorized or approved by the Board.*

(c) Standing Policy Committees.¹⁰

(i) Charge. *The League shall have a series of standing policy committees, whose charge shall be to make recommendations to the League Board on matters within the committees' jurisdiction, as well as fulfill other duties specified in these bylaws (see, for example, Article VI, section 4(b)).*

(ii) Membership. *Each League policy committee shall be comprised of the following:*

¹⁰ The present standing policy committees are: 1) Administrative Services, 2) Employee Relations, 3) Environmental Quality, 4) Community Services, 5) Housing, Community and Economic Development, 6) Public Safety, 7) Revenue and Taxation, and 8) Transportation, Communications and Public Works.

- *Two members appointed by each regional division president;*
- *One member appointed by each functional department president;*
- *No more than 14 members appointed by the League president, to provide additional expertise, as well as population and geographic balance; and*
- *Such representatives of affiliate organizations in the capacity authorized by the League Board.*

*(iii) **Feedback.** Policy committees shall receive information on actions taken on committee recommendations and the reasons for those actions.*

*(d) **Committee Chairs and Vice Chairs.** The League President appoints the chair of all League-wide committees. The term of such appointments coincides with the League President's term. The League President may appoint vice chairs for such committees, as the League President deems necessary.*

~~**(a) Composition.** The Executive Committee of the League Board consists of the following: the League's President, the First Vice-President, the Second Vice-President/Treasurer, the Immediate Past President, and the Executive Director.~~

~~**(b) Authority.** The Executive Committee has authority to act for the League Board between Board meetings, provided that no action of Executive Committee is binding upon the League Board unless authorized or approved by the Board.~~

Section 1011: Quorum and Voting. Except as otherwise provided in these bylaws, *participation by* a majority of the members of the League Board constitutes a quorum for the transaction of all business. Except as otherwise provided in these bylaws, any action of the League Board requires a majority vote of the Directors voting on the action. Proxy voting is not allowed.

Section 12: Compensation. The Directors do not receive any compensation for their services, but, with *League Board* approval, may be entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties.

Section 1213: Reports of Directors. The League Board's duties include providing an annual report to League members at the regular Annual

Conference showing the League's work, the League's financial condition, and a statement with respect to the League's plans for further work and proposed policies.

Section 1314: Standard of Care.¹¹

(a) General. A Director shall perform the Director's duties, including duties on any committee on which the Director serves, in good faith, in a manner the Director believes to be in the best interests of the League and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

(b) Reliance on Information. In performing the Director's duties, the Director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by:

- (i)** One or more League officers or employees whom the Director believes to be reliable and competent as to the matters presented;
- (ii)** Counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (iii)** A *League* Board committee upon which the Director does not serve, as to matters within the committee's designated authority, provided that the Director believes the committee merits confidence.

The Director may rely on such information, opinions, reports, or statements as long as the Director acts in good faith after reasonable inquiry (when the need for such inquiry is indicated by the circumstances) and as long as the Director has no knowledge that would suggest that such reliance is unwarranted.

(c) Non-Liability. An individual who performs the duties of a Director in accordance with this section will not be liable for any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the preceding, any actions or omissions which are inconsistent with the League's nonprofit purposes.

¹¹ See Cal. Corp. Code § 7231 (providing that a director who performs the director's duties according to these standards is not liable for any alleged failure to properly discharge the individual's obligations as a director).

~~**Section 14: Special Committees.** The League Board may establish advisory committees to study city problems, conduct training, make legislative recommendations or other appropriate League service. The chair of each such committee is appointed by the League President for that President's term and, on the completion of the committee's work, may be asked to report to the League Board or General Assembly~~

Section 15: Right to Inspect Records. Every Director has a right at any reasonable time to inspect and copy all League books, records and documents of every kind and to inspect the League's physical property.¹²

Section 16: Policy Changes. Any policy established by the League's General Assembly may be changed by the League's Board upon ratification of such proposed change by a majority of the regional divisions representing a majority of Member Cities within the time period specified by the League Board.

Article VIII: Officers

Section 1: Identity. The officers of the League are a President, a First Vice-President, a Second Vice-President/Treasurer, an Immediate Past President, and an Executive Director.

Section 2: Duties of League Officers.

*(a) **President.** The President presides at all League Board meetings and the Annual Conference. The President has such other powers and duties as may be prescribed by these bylaws or the League Board.*

*(b) **First Vice-President.** The First Vice-President carries on the duties of the President in the President's temporary absence or incapacity. The First Vice-President has such other powers and duties as may be prescribed by these bylaws or the League Board.*

*(c) **Second Vice-President/Treasurer.** The Second Vice-President/Treasurer carries on the duties of the President in the President's and First Vice-President's temporary absence or incapacity. The Second Vice-President/Treasurer has such other powers and duties as may be prescribed by these bylaws or the League Board.*

¹² See Cal. Corp. Code § 8333 (characterizing this right as "absolute").

Section 32: Election. The League Board elects the League's President, First Vice-President and Second Vice-President for terms of one year.¹³ The election occurs at the League Board's organization meeting at the conclusion of the Annual Conference.

Section 34: Vacancies. A vacancy in the office of President is filled at the next meeting of the League Board by the succession of the First Vice-President to that office. A vacancy in the office of First Vice-President, or Second Vice-President/Treasurer, is filled for the unexpired term by appointment of a member of the League Board. A vacancy in the office of the Immediate Past President is filled for the unexpired term by the last Past President continuing to hold a city office.

Section 5: Executive Director and League Employees.

(a) Employment. The League Board selects an Executive Director and *who* employs, or causes to be employed, such other persons as may be necessary who need not be League members. The Executive Director and employees ~~so selected~~ perform such duties and receive such compensation as the League Board may from time to time prescribe.

(b) Specific Duties.¹⁴ The Executive Director performs or causes to be performed the following functions:

(1) Corporate Secretary. These duties include:

- i) Keeping a full and complete record of the proceedings of the League Board,
- ii) Giving such notices as may be proper and necessary,
- iii) Keeping minute books for the League,
- iv) *Communicating the League Board's actions to Member Cities,*
- ivv) Executing such instruments necessary to carry out Board directives and policies, and

¹³ See Cal. Corp. Code § 7151(c)(5) (suggesting bylaws address this issue).

¹⁴ Nonprofit corporation law requires organizations like the League to have a secretary and chief financial officer. See Cal. Corp. Code § 7213 (allowing any number of offices to be held by the same person). Typically, these roles are assigned in the bylaws. Presently these functions are performed for the League by staff under the direct supervision of the Executive Director and ultimate supervision of the League Board.

¶vi) Complying with such other record-keeping and reporting requirements of California Nonprofit Corporation Law.

(2) Chief Financial Officer. These duties include

- i) Having charge of and custody of and receiving, safeguarding, disbursing and accounting for all League funds,
- ii) Depositing and investing such funds in such institutions and investments as approved by the League Board,
- iii) Maintaining the League's financial books and records,
- iv) Preparing and submitting such accounting and tax forms as may be required by local, state and federal law.

(c) Insurance. All employees handling the finances of the League shall be insured in such amount as the League Board deems desirable or necessary, such insurance to be approved by the League Board or a committee designated by the League Board and the premiums paid by the League.

Article IX: Regional Divisions

Section 1: Listing.

(a) Existing Regional Divisions. The League is comprised of the following regional divisions:

Central Valley
Channel Counties
Desert-Mountain
East Bay
Imperial County
Inland Empire
Los Angeles County
Monterey Bay
North Bay
Orange County
Peninsula
Redwood Empire
Riverside County
Sacramento Valley
San Diego County
South San Joaquin Valley

(b) New Divisions. Additional divisions may be formed through an amendment to these bylaws (Article XVI).

Section 2: Purposes and Functions. The purposes and functions of regional divisions of the League are as follows:

(a) To promote interest in the problems of city government and administration among ~~city officials-the officers and employees of cities-~~within such divisions.

(b) To assist League officials in formulating policies by expressing, through resolutions duly adopted, the recommendations of the regional divisions. Resolutions adopted by regional divisions to be considered at the Annual Conference shall be submitted in the manner provided by Article VI.

(c) To take action consistent with general League policy as duly adopted by the League's General Assembly or by the League's Board. Regional divisions may take no action in conflict with such policies. Nothing in the foregoing limits or restricts regional division activities in matters of purely local interest and concern.

(d) To meet not less than once every three months, provided that the League Annual Conference may be considered one such meeting of a regional division.

Section 3: Names of Divisions. Each regional division will identify itself as a division of the League of California Cities. A distinctive name by which the division shall be known shall be adopted and shall be used as a prefix to the League of California Cities, such as:

Inland Empire Division
League of California Cities

Section 4: Boundaries. The territorial boundaries of each regional division may be fixed by each division subject to the approval of the League's General Assembly.

Section 5: Membership. All cities within the boundaries of a regional division may become members of and participate in the activities of that division. A city may join a different regional division with the approval of both the existing and proposed division, and the League's ~~Board~~*General Assembly*.

Section 6: Voting. The representatives of each Member City may cast collectively one vote on division matters, and a majority of the votes cast is necessary for a decision.¹⁵

Section 7: Officers.

(a) Identity. Each regional division elects a President, a Vice-President, a representative on the League Board of Directors and a Secretary, and such other officers as any regional division bylaws may establish.

(b) Election Timing. Each regional division elects its officers at the regional division meeting immediately preceding the League's Annual Conference, unless another date is provided by any regional division's bylaws.

(c) Terms.

(i) Directors' Terms and Commencement Dates. The term of office and commencement date for regional division

¹⁵See Article XI for additional information about voting.

representatives on the League Board are established in Article VII, section 2(d) ~~(e)~~ (term length) and 4(d) (term commencement).

(ii) Other Officers' Terms and Commencement Dates. The term of office of all other newly elected officers is one year. A majority of the members may amend any regional division bylaws to provide for two-year terms for regional division officers. Except for representatives on the League Board, all newly elected officers' terms commence immediately upon election unless another date is provided by any regional division's bylaws.¹⁶

(d) Vacancies. In the event of a vacancy in any regional division office,¹⁷ such vacancy is filled by election at the next regular meeting of such division. The fact that such a vacancy will be so filled shall be included in the notice of such meeting. This requirement also applies to a vacancy in the office of regional division director, as provided in Article VII, section 56(b).

(e) Duties.

(i) President. The President presides at all regional division meetings and has such other powers and duties as may be prescribed by any division bylaws.

(ii) Vice-President. The Vice-President carries on the duties of the President in the President's temporary absence or incapacity and has such other powers and duties as may be prescribed by any division bylaws.

(iii) Secretary. The Secretary a) immediately notifies the League of any change in the regional division officers, b) records the minutes of all division meetings and sends one copy to League headquarters, and c) prepares and mails all notices of the meetings of the division and sends a copy to the League headquarters.

(iv) Director. The regional division Director *shall represent the regional division on the League Board and shall keep the*

¹⁶ Note that this term commencement is different than that for the League board (whose terms commence upon adjournment of the Annual Conference) and than that for department officers (also upon adjournment of the Annual Conference).

¹⁷ Article XII, section 2, defines a vacancy.

division membership apprised of League Board activities. And
The Director serves as a liaison between the regional division
and the League Board.

Section 8: Resignation. Except as provided in Article VII, section 7 for members of the League Board, a regional division officer's resignation is effective upon receipt in writing by the division's President or Secretary, unless a later date is specified in the letter.

Section 9: Regional Division Bylaws. Regional divisions may adopt their own bylaws. Division bylaws may not conflict with the League's bylaws. In the event of a conflict between a division's bylaws and League bylaws, the League's bylaws will prevail; the League's bylaws also prevail when the division does not have bylaws or the division's bylaws are silent.

Article X: *Functional* Departments

Section 1: Listing.

(a) Existing Departments. The League includes the following functional departments:

- Mayors and Council Members
- City Attorneys
- Fiscal Officers
- Public Works Officers
- City Managers
- Planning and Community Development
- Police Chiefs
- Fire Chiefs
- Recreation, Parks and Community Services
- City Clerks
- Personnel and Employee Relations

(b) New Departments. Additional *functional* departments may be formed through an amendment to these bylaws (Article XVI).

Section 2: Officers

(a) Identity. Each *functional* department elects a President, a First Vice-President, a Second Vice-President/Secretary, a representative on the League Board, and such other officers as the department's bylaws may establish.

(b) Election Timing. Each *functional* department elects its officers at the department's business session at the League's Annual

Conference, unless the department's bylaws provide otherwise.

(c) Terms. The term length for *functional* department representatives on the League Board is established in Article VII, section 2(d) ~~(e)~~. The term of office of all other newly elected officers is one year. The term of office of all newly elected department officers commences immediately on the adjournment of the Annual Conference.

(d) Vacancies.¹⁸ A vacancy in the office of President is filled for the unexpired term by the succession of the First Vice-President. A vacancy in the office of the First Vice-President, or Second Vice-President/Secretary of the *functional* department is filled by appointment by the department President. The person so appointed shall be a member of such department. A vacancy in the office of department director is filled as provided in Article VII, section 56(a).

(e) Duties.

(i) President. The President presides at *functional* department meetings and has such other powers and duties as may be prescribed by any department bylaws.

(ii) First Vice-President. The First Vice-President carries on the duties of the President in the President's temporary absence or incapacity and has such other powers and duties as may be prescribed by any department bylaws.

(iii) Second Vice-President/Secretary. The Second Vice-President/Secretary carries on the duties of the First Vice-President in the First Vice-President's temporary absence or incapacity and has such other powers and duties as may be prescribed by any department bylaws.

(iv) Director. *The department Director shall represent the functional department on the League Board and shall keep the department membership apprised of League Board activities. The Director serves as a liaison between the department and the League Board.* ~~The department keeps the division membership apprised of League Board activities and serves as a liaison between the department and the League Board~~

(f) Resignation. Except as provided in Article VII, section 67 for members of the League Board, a *functional* department officer's resignation is effective upon receipt in writing by the department's

¹⁸ Article XII, section 2, defines a vacancy.

President or Second Vice-President/ Secretary, unless a later date is specified in the letter.

Section 3: Voting. *Except as otherwise provided in a functional department's bylaws, the representatives of each Member City may cast collectively one vote on functional department matters.¹⁹ A majority of the votes cast is necessary for a decision.²⁰*

Section 4: Department Meetings. *Functional departments meet at the Annual Conference and at other times and places as they find necessary.*

Section 5: Department Bylaws. *Functional departments may adopt their own bylaws. Such bylaws may not conflict with the League's bylaws. In the event of a conflict between a department's bylaws and League bylaws, the League's bylaws will prevail; the League's bylaws also prevail when the department does not have bylaws or the department's bylaws are silent.*

Article XI: Voting

Section 1: Voice Vote. *Except as otherwise provided in Article V, section 7, all voting in meetings of the General Assembly of the League, its divisions and departments is by voice vote.*

Section 2: Alternative Methods. *If the presiding official cannot determine the outcome of the voice vote or three or more Member Cities request, an alternative method of voting may be used. An alternative voting method may be by any means (show of hands, written ballot, etc.) which allows the presiding official to accurately determine the outcome of the vote.*

Section 3: Roll Call Votes. *A roll call may be demanded by representatives of ~~three or more Member Cities~~ *ten percent or more of the voting delegates registered with the Credentials Committee.**

Section 4: One City One Vote. *Except as otherwise provided in a functional department's bylaws, the representatives of each Member City present and in good standing collectively cast one vote.²¹ A majority of the votes cast is necessary for a decision.*

Section 5: Mail Balloting. *In addition to voting at League meetings, the League may solicit member input by mail ballot.*

¹⁹ Note that Article XI, section 4 allows departments to adopt a different voting allocation in their bylaws.

²⁰ See Article XI for additional information about voting.

²¹ *For purposes of the General Assembly (see articles V and VI), the mechanism through which city officials do this is the designated voting delegate.*

(a) Mailing.²² *The question(s) to be voted upon, along with explanatory materials and a ballot, shall be mailed by first class mail to each Member City for consideration and action.*

(b) Time Frame for Action. *Member Cities shall have at least 45 days to cast their vote. Ballots shall be cast by returning the Member City's ballot to the League's principal office in Sacramento.*

(c) Ballot Tabulation and Results Announcement. *The League President will appoint a counting committee of three board members to count the votes cast by mail ballot. The counting committee will submit its count to the League Board, which shall canvass the vote and announce the results.*

(d) Functional Departments and Regional Divisions. *Departments and divisions may also use mail balloting under procedures specified in their respective department and division bylaws.*

Article XII: Qualifications to Hold Office and Vacancies

Section 1: Eligibility to Hold Office.

(a) In General. Excepting the office of Executive Director, no person shall be eligible to hold office in the League or any League division or department unless the individual is officially in city service in a Member City at the time of the person's election or appointment.

(b) Length of Service. An individual who has occupied an elected League Board office (as defined in Article VIII, section 1) for nine months (275 days) or more is ineligible to stand for election for that same office again.

Section 2: Vacancies.

(a) Vacancy Defined. A League office becomes vacant when an individual resigns, *misses three consecutive convened meetings* or leaves city service.

(b) Effective Date of Vacancy Caused by Leaving City Service. The effective date of a vacancy caused by a departure from city

²² *The Administrative Services Committee recommends the League also include notice of the upcoming ballot in a variety of League communications, to alert Member Cities to make inquiry in the event a city's ballot is lost in the mail.*

service is three months (92 days) after an individual ceases to occupy the same or comparable city office as the individual had when the individual was elected or appointed to League office.

(c) Effective Date of Resignations. For the effective dates of resignations, see Article VII, section 6-7 (effective date of League Board resignations), Article IX, section 8 (effective date of regional division officer resignations), and Article X, section 2(f) (effective date of department officer resignations).

(d) Filling Vacancies. Vacancies will be filled as provided in these bylaws, see Article VII, section 56 (filling League Board vacancies), Article IX, section 7(d) (filling regional division officer vacancies), and Article X, section 2(d) (filling *functional* department officer vacancies).

Article XIII: Finances

Section 1: Fiscal Year. The fiscal year of the League is the calendar year.

Section 2: Budget.

(a) Preparation and Approval. Not less than fifteen days prior to the budget meeting of the League Board, the Executive Director ~~will~~ *shall* distribute to the Board a detailed budget describing the estimated revenues and expenditures for the ensuing budgetary period for the League Board's consideration and approval.

(b) Dissemination. *Upon approval, a copy of the League's budget shall be sent to each regional division and functional department president, who shall make it available to division and department members.*

Section 3: Limitation of Expenditures. The League Board may not incur indebtedness in excess of the estimated or actual revenues for the ensuing fiscal year, without the approval of the League's General Assembly.

Section 4: Annual Audit. The League's accounts shall be audited by a certified public accountant after the close of each fiscal year.

Section 5: Special Assessment for League Building. By resolution approved by a majority of those cities present and voting thereon at an Annual Conference, a special assessment may be levied for a permanent headquarters office building in Sacramento as specified in the resolution.²³

²³ See also section 4 in Article XV, relating to disposition of League property upon dissolution.

Article XIV: Prohibited Transactions

Section 1: Loans. Except as permitted by California Nonprofit Corporation Law,²⁴ the League may not make any loan of money or property to, or guarantee the obligation of, any director or officer. This prohibition does not prohibit the League from advancing funds to a League director or officer for expenses reasonably anticipated to be incurred in performance of their duties as an officer or director, so long as such individual would be entitled to be reimbursed for such expenses under League Board policies absent that advance.

Section 2: Self-Dealing and Common Directorship Transactions.²⁵

(a) Self-Dealing Transactions. A self-dealing transaction is a transaction to which the League is a party and in which one or more of its directors has a material financial interest.

(b) Common Directorships. “Common directorships” occur when the League enters into a transaction with an organization in which one of the League directors also serves on the organization’s board.

²⁴ Section 7235 of the Corporations Code provides:

(a) Unless prohibited by the articles or bylaws, a corporation may loan money or property to, or guarantee the obligation of, any director or officer of the corporation or of its parent, affiliate or subsidiary, provided:

(1) The board determines the loan or guaranty may reasonably be expected to benefit the corporation.

(2) Prior to consummating the transaction or any part thereof, the loan or guaranty is either:

(A) Approved by the members (Section 5034), without counting the vote of the director or officer, if a member, or

(B) Approved by the vote of a majority of the directors then in office, without counting the vote of the director who is to receive the loan or the benefit of the guaranty.

(b) Notwithstanding subdivision (a), a corporation may advance money to a director or officer of the corporation or of its parent, affiliate or subsidiary, for any expenses reasonably anticipated to be incurred in the performance of the duties of the director or officer of the corporation or of its parent, affiliate or subsidiary, provided that in the absence of such an advance the director or officer would be entitled to be reimbursed for these expenses by the corporation, its parent, affiliate, or subsidiary.

(c) The provisions of subdivisions (a) and (b) do not apply to credit unions, or to the payment of premiums in whole or in part by a corporation on a life insurance policy on the life of a director or officer so long as repayment to the corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value, or to loans permitted under any statute regulating any special class of corporations.

²⁵ See generally Cal. Corp. Code § 7233 (establishing these requirements). Note that interested or common directors may be counted in determining the existence of a quorum in a board or committee meeting that approves such transactions. See Cal. Corp. Code § 7234.

(c) Pre-Transaction Approval. To approve a transaction involving either self-dealing or a common directorship, the League Board shall determine, before the transaction, that

(i) The League is entering into the transaction for its own benefit;

(ii) The transaction is fair and reasonable to the League at the time; and

(iii) After reasonable investigation, the League Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Such determinations shall be made by the League Board in good faith, with knowledge of the material facts concerning the transaction and the director's interest in the transaction, without counting the vote of the interested director or directors.

(d) Post-Transaction Approval. When it is not reasonably practicable to obtain Board approval before entering into such transactions, a Board committee may approve such transaction in a manner consistent with the requirements in the preceding paragraph, provided that, at its next meeting, the full Board determines in good faith that the League Board committee's approval of the transaction was consistent with such requirements and that it was not reasonably practical to obtain advance approval by the full Board, and ratifies the transaction by a majority of the directors then in office without the vote of any interested director.²⁶

²⁶ See Cal. Corp. Code § 7233 (specifying under what circumstances a self-dealing transaction is void or voidable).

Article XV: Miscellaneous

Section 1: Indemnification.

(a) Indemnity Authorized. To the extent allowed by California Nonprofit Corporation Law,²⁷ the League may indemnify and advance expenses to its agents in connection with any proceeding, and in accordance with that law. For purposes of this section, "agent" includes directors, officers, employees, other League agents, and persons formerly occupying these positions.²⁸

(b) Approval of Indemnity. An individual seeking indemnification shall make a written request to the League Board in each case.

(i) Success on the Merits. To the extent that the individual has been successful on the merits, the League Board will promptly authorize indemnification in accordance with California Nonprofit Corporation Law.²⁹

(ii) Other Instances. Otherwise, the League Board shall promptly determine, by a vote of a majority of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct under California law,³⁰ and, if so, will authorize indemnification to the extent permitted.

²⁷ The scope of indemnity for mutual benefit corporations is governed by Corporations Code section 7237, which is excerpted in the footnotes below.

²⁸ Section 7237(a) provides in pertinent part:

For the purposes of this section, "agent" means any person who is or was a director, officer, employee or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation . . .

See Cal. Corp. Code § 7237(a).

²⁹ Section 7237(d) provides

To the extent that an agent of a corporation has been successful on the merits in defense of any proceeding referred to in subdivision (b) or (c) or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

See Cal. Corp. Code § 7237(d).

³⁰ These standards are largely contained in section 7237(b) or section 7237(c), which provide:

(c) Advancing Expenses. To the extent allowed by under California Nonprofit Corporation Law,³¹ the League Board may authorize an advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition. The League Board shall find that

(1) the requested advances are reasonable; and

(2) before any advance is made, the agent will submit a written undertaking satisfactory to the League Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this section.

Section 2: Insurance.³² The League Board may authorize the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond the League's corporation's authority to indemnify an agent under law.

Section 3: Contracts and Execution of Instruments. All contracts entered into on behalf of the League shall be authorized by the League Board, or by the person or persons upon whom the League Board confers such power from time to time. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the League shall be signed by the persons authorized to do so by the League Board.

(b) A corporation shall have power to indemnify any person . . . if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful . . .

(c) A corporation shall have power to indemnify any person . . . if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances . . .

See Cal. Corp. Code § 7237(b) and (c) (with exceptions).

³¹ Section 7237(a) provides in pertinent part:

. . . "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under subdivision (d) or paragraph (3) of subdivision (e).

See Cal. Corp. Code § 7237(a).

³² See also Cal. Corp. Code § 7237(i) (authorizing insurance).

Section 4: Disposition of Assets Upon Dissolution.³³ The League's properties and assets are irrevocably dedicated to the fulfillment of the League's purposes as described in Article II. No part of the League's net earnings, properties and assets, on dissolution or otherwise, may inure to the benefit of any private person. On liquidation or dissolution, the League's net assets shall be distributed to the League's Member Cities consistent with the provisions of the California Nonprofit Corporations Law relating to mutual benefit corporations then in effect.

Section 5: Parliamentary Authority. Subject to the provisions of these bylaws, Robert's Rules of Order or such other parliamentary rules as may be adopted by the League Board shall prevail at all meetings of the League, the League Board, and in all *functional* departments and regional divisions.

Section 6: Seal. The League Board has provided a suitable seal for the League which is ~~shall~~circular and which contains the following inscription:

"LEAGUE OF CALIFORNIA CITIES
INCORPORATED NOVEMBER 4, 1932, CALIFORNIA"

The seal may be affixed to corporate instruments, but any failure to affix it does not affect the instrument's validity.

Section 7: Governing Law. In all matters not specified in these bylaws, or in the event these bylaws are inconsistent with applicable law, the provisions of California Nonprofit Corporation Law then in effect ~~applies~~*apply*.

Article XVI: Amendments

Section 1: Consideration. These bylaws may be amended by the League's General Assembly (*see Article XVI, section 5 for procedures*) or by a mail ballot to Member Cities (*see Article XI, section 5 for procedures*).

Section 2: Vote Threshold. *A two-thirds vote of approval of those voting is necessary to amend these bylaws.*

Section 3: Who May Propose. Amendments may be proposed by the League Board or by petition of ten percent of Member Cities. The proponent may specify whether the amendment is *to be* considered at the General Assembly or by mail ballot.

³³ This section reinforces the League's status as a mutual benefit corporation and protects cities' interests in their investment in the League's headquarters building. *See also* Cal. Corp. Code § 8717 (assets upon dissolution must be distributed according to bylaws).

Section 43: Board Review. Any amendment proposed by petition shall be submitted to the League Board in writing for its review. *The League Board's recommendation and reasons following its review shall accompany all materials relating to the proposed amendment.*

~~Section 4: Procedure for Mail Balloting.~~

~~(a) Mailing.~~ The proposed amendment, along with explanatory materials and a ballot, shall be mailed by first class mail to each Member City's governing body for consideration and action. Explanatory materials may include the League Board's recommendation and reasons following its review pursuant to section 3 of this Article.

~~(b) Time Frame for Action.~~ Member Cities shall have at least 45 days to cast their vote on the proposed amendment. Ballots shall be cast by mailing the Member City's ballot by first class mail to the League's principal office in Sacramento.

~~(c) Ballot Tabulation and Results Announcement.~~ The League Board will appoint a counting committee of three of its members to count the votes cast by mail ballot. The counting committee will submit its count to the League Board, which shall canvass the vote and announce the results.³⁴

Section 5: Procedure for Consideration by General Assembly.

(a) Notice. The meeting notice required by Article V, section 3 for League meetings shall include notice of any proposal to amend the League's bylaws, along with the subject of the proposed amendment(s).

(b) Consideration by General Assembly. The proposed amendment, along with any action by the League Board pursuant to section 4 of this Article, shall be considered by the General Assembly along with any resolutions presented pursuant to Article VI.

³⁴ Article XVI (relating to bylaws amendments), section 1 ("A two-thirds vote of approval is necessary to amend these bylaws."), and Article XI (relating to voting), section 4 (tying outcomes to the number of votes cast), are instructive in determining the number of votes necessary for a proposed bylaws amendment to pass via mail ballot. Read together, these suggest two-thirds of those cities responding to the mail ballot must vote in favor of the proposed bylaw amendment for the amendment to be approved. This reading is also consistent with Article V (relating to membership meetings), section 6 (defining a quorum as "[t]he presence of the voting delegates (or alternate) from a majority of **Member Cities registered to attend the Annual Conference**" – emphasis added), since ultimately a quorum is tied to the number of cities registered to attend the conference, as opposed to the number of Member Cities in general.

Note too that the bylaws contain a protective provision that allows one-third or more of Member Cities to submit a written protest of any bylaws amendment, which requires the amendment to be suspended and voted upon at the next Annual Conference. See section 7 of Article XVI.

Section 6: Effective Date. After approval, amendments go into effect ~~immediately after the expiration of the protest period (see Article XVI, section 7)~~ unless otherwise specified in the amendment.

Section 7: Protest and Suspension until Next Conference. If, within sixty days after the adoption of any amendment, one-third or more of the Member Cities submit a written protest against such amendment, the amendment is automatically suspended until the next Annual Conference, when it may be taken up again for reconsideration and vote.

Article XVII: Establishment and Financing of Grassroots Network³⁵

Section 1: Enhancement of Advocacy Efforts.

To enhance the League's advocacy efforts on behalf of cities, the League hereby establishes a Grassroots Network. The Grassroots Network consists of a series of field offices throughout California, responsible for coordinating city advocacy efforts and promoting statewide League policy priorities.

Section 2: Dues Increase

(a) Initial Financing. The dues increase approved concurrently with the addition of Article XVI shall finance the League's Grassroots Network for the second half of 2001 and for 2002. The increase shall be used exclusively to finance the Grassroots Network.

(b) Continued Financing. Any subsequent dues increases shall occur in accordance with Article IV.

Section 3: Accountability

(a) Annual Goal-Setting and Performance Assessment. The League Board shall set long-term goals and annual objectives for the League's Grassroots Network. The League Board shall periodically report to the League's Member Cities on the Grassroots Network's performance in meeting those goals and objectives.

(b) Board Discontinuance. If at any time the League Board finds the Grassroots Network is not meeting its objectives on behalf of

³⁵ The language in Article XVII was approved by mail ballot in July 2001.

cities, the League Board may discontinue the Grassroots Network.

(c) Membership Vote on Program Continuation. On or before December 31, 2007, Member Cities shall vote (*see Article XI, section 5 for procedures*) on whether to continue the Grassroots Network beyond December 31, 2008.

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Revised August 28, 2001